GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3634
ANSWERED ON:25.08.2006
NON-DISPOSAL OF UNCLAIMED GOODS
Ramadass Prof. M

Will the Minister of FINANCE be pleased to state:

(a) whether non disposal of unclaimed/confiscated import/ export goods resulted in blockage of customs revenue;

(b) if so, the extent of loss including notional loss incurred by this;

(c) the causes of non-disposal of these items; and

(d) steps taken by the Union Government in this direction?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b) Disposal of goods is an on-going process and the unclaimed/ confiscated import/ export goods are taken up for disposal as and when they become 'ripe for disposal'. As the goods are finally disposed off following the 'due process', the temporary blockage of customs revenue, if any, is unavoidable.

(c) The goods imported / attempted for export in violation of prohibitions under the Customs Act, 1962 are liable to confiscation under the Act ibid. The process and procedure of confiscation involves various stages like investigation, issue of a show cause notice and passing of the order of confiscation by the adjudicating authority. This process takes a considerable period of time. Even after the issue of the adjudication order, the importer/ exporter as well as the Department have the legal remedy of filing an appeal before different appellate fora and the goods stand finally confiscated to government after appellate stages are over. These stages of appeal may also take considerable time before goods could be taken up for disposal.

(d) Government have issued specific instructions for expeditious disposal of confiscated as well as unclaimed/ un-cleared goods. Further, facility of 'E-auction' has also been introduced in a number of Customs Zones for expeditious disposal of such goods.